

The New Excepted Service Compensation System Frequently Asked Questions

A new Excepted Service salary plan was enacted July 6, 2005 through resolution 16-219, "Excepted Service Employees Compensation System Changes Approval Resolution of 2005," with an effective date of July 24, 2005. This new schedule continues the Government of the District of Columbia's movement to a more progressive, flexible, modern compensation system that will allow us to attract and retain high-performing individuals to work for the District government.

The Excepted Service pay schedule moves from the current step and grade structure to an 11-level open-range system (ES1 - ES11). As with the Executive Service pay schedule, movement within a range will be based on performance, not length of service.

How Do These New Levels Relate to the Old Grades?

The new Excepted Service salary plan is constructed to accommodate the grading of positions through the use of the Federal Evaluation System (FES). DCOP uses the FES to classify, categorize, and rank each position, which ultimately determines the grade placement. In the past, District government positions were placed on an 18-grade scale, with steps to demarcate levels within a grade (as in the Career Service Schedule). The new Excepted Service schedule will still utilize the FES for classification and ranking, but the allocation scheme to the ES levels will follow the table below.

Please note that for positions classified as FES grade 15 and 16, there is discretion for Excepted Service grade placement. The final determination of where you are placed within the level's salary range shall be made by DCOP classification specialists, compensation staff and the Director of Personnel, who will examine similar positions in each of the grades, market pay trends and other variables in determining the correct grade placement. Only Deputy Mayors or comparable positions will be placed in level ES11.

FES Grade	ES Level
5	ES1
6	ES1
7	ES2
8	ES2
9	ES3
10	ES4
11	ES5
12	ES6
13	ES7
14	ES8
15	ES8 or ES9
16	ES9 or ES10
17	ES10
18	ES11

What is an Open Salary Range?

An open salary range does not rely on defined steps to move employees through the range. Instead, employee pay is between the minimum and maximum of the pay range, with pay increases applied to the incumbent's base salary as performance dictates. The salary structure (minimums, midpoints, and maximums) will be adjusted based on items such as cost of living, market trends, etc., but since employees are not tied to steps, their individual pay will remain unchanged until adjustments are made to their base compensation after the annual performance review.

In each pay level, the minimum salary rate is the lowest amount an employee shall be paid and the maximum salary rate is the potential highest rate of pay employees can receive if they progress through the range at high performance levels. The midpoint rate in the new Excepted Service salary ranges are designed to pay employees at the full-performance journey level for a position and also be comparable to average market rates.

Does Everyone Get Hired at the Minimum of the Salary Range?

A new Excepted Service employee can be placed anywhere from the minimum to the midpoint of the salary range without DCOP approval. If a manager wants to place a new Excepted Service appointee on the salary range above the midpoint, it must be approved by the Director of Personnel. This new rule supersedes those set forth in *District Personnel Manual*, Chapter 11B, "Compensation," Issuance 11B-36, "Rules for Setting Pay upon New (Initial) Appointments to the Career, Legal, Excepted, and Management Supervisory Services," section 4b.

How Do I Move through My Salary Range?

You will progress through the new salary range based only on your performance. There will be no automatic salary increases due to a Last Equivalent Increase date (LEI) or longevity. Instead, all Excepted Service employees' salary increases will take place at the same time, around the beginning of January.

Every year during the specified rating period, employees in the Excepted Service must have their performance formally reviewed by their supervisor through the Performance Management Program (PMP). Currently, these reviews are completed by early December. Based on the final performance rating you receive, a determined percentage increase shall be added to your base wage, as long as the new base salary does not exceed the current range maximum. No salary increases will be rewarded during any optional midyear evaluations.

How Will My Annual Salary Increase Be Determined?

Your progression through an Excepted Service level will be based only on performance, but the determined percentages will be made up of two components: a small cost of living increase and a merit increase.

In the traditional step plans (the former system), the cost of living was considered the plan's structural adjustment (paid for by Workforce Investment Funds), while the progression to the next salary step was a reward for longevity (paid for by the agency's budget). In this new system, this longevity element is replaced with variable pay based on performance, also known as merit pay.

At the beginning of each fiscal year, the Office of the Chief Financial Officer and DCOP will issue the percentage increases that will be associated with each performance rating level. Once performance ratings are finalized, agency HR Advisors can begin processing actions.

Can I Still Receive an Incentive Award?

Managers can still nominate an Excepted Service employee to receive an Excepted Service Performance Incentive award of up to ten percent (10%) of the employee's salary. See the *District Personnel Manual*, Chapter 9, "Excepted Service," for more details. This new Excepted Service salary structure only changes the way Excepted Service base compensation is administered.

Will There Be Any Additional Training on How to Conduct Performance Evaluations?

Because Excepted Service salary increases, as well as performance incentives, are based on the Performance Management Program employee evaluation, DCOP recommends that supervisors either sign up for a Performance Management training course through the Center for Workforce Development or contact the Office of Performance Management, at (202) 727-1742, to arrange a consultation for your agency's managers.

How Do Promotions Work?

If you receive a promotion that moves you from an Excepted Service position in a lower ES range to a new position in a higher ES range, you shall receive a 10% increase in your annual base pay, assuming that it does not exceed the maximum of the new appointed range. If you are appointed to a new Excepted Service position in the same ES salary range, you will not receive any increase in base pay.

If you receive a demotion or are appointed to a new Excepted Service position in a lower ES level, you will remain at your current salary when you transfer to the new level. If your current salary exceeds the maximum salary of the new ES level, your pay will be designated as a "retained rate" and you will not receive any additional base pay increases until the pay range for your new position catches up with your current salary. *District Personnel Manual*, Chapter 11B, "Compensation," has more information about retained rates in section 1141.

If you transfer between an Excepted Service position and one in any of the other services (e.g., Career Service, Management Supervisory Service), any change in salary will be handled in accordance with regulations set forth in guidelines in *District Personnel Manual*, Chapter 11B, "Compensation."

How Will Capital City Fellows Receive Pay Increases?

Currently, a Capital City Fellow with a performance rating of Meets Expectations or better receives an increase from a Grade 12, Step 1 to a Grade 12, Step 4 after their first year. Under the new compensation system, a Capital City Fellow will initially be appointed to the minimum of the ES 6 level. If their performance rating is Meets Expectations or better, after their first year they will receive a 10 percent pay increase within the ES 6 level.

If you need additional information about the new Excepted Service Compensation System, please contact the DC Office of Personnel, Office of Classification and Compensation, at (202) 442-3204.